

**Kamco Investment Company K.S.C.P.
and Subsidiaries**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

PERIOD ENDED 30 SEPTEMBER 2022

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KAMCO INVESTMENT COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kamco Investment Company K.S.C.P. (the “Company”) and its subsidiaries (collectively, the “Group”) as at 30 September 2022, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-month period then ended. Management of the Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with basis of preparation set out in Note 2. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements: 2410 ‘*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*’. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with basis of preparation as set out in Note 2.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts of the Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Company’s Memorandum of Incorporation and Articles of Association, as amended, during the nine-month period ended 30 September 2022 that might have had a material effect on the business of the Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the nine-month period ended 30 September 2022 that might have had a material effect on the business of the Company or on its financial position.



WALEED A. AL OSAIMI

LICENCE NO 68 A

EY

AL-AIBAN, AL-OSAIMI & PARTNERS

2 November 2022


Kuwait


Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2022

		30 September 2022 KD	(Audited) 31 December 2021 KD	30 September 2021 KD
	<i>Notes</i>			
ASSETS				
Cash and cash equivalents	3	31,536,339	35,160,321	31,465,548
Loans and advances		4,856,009	6,188,801	6,126,469
Financial assets at fair value through profit or loss		27,741,338	27,715,296	25,729,972
Financial assets at fair value through other comprehensive income		7,279,604	7,519,245	8,524,208
Non-current assets classified as held for sale	8	2,255,111	-	852,105
Investment in associates		23,574,647	22,805,423	22,859,992
Other assets	4	12,353,667	13,717,888	14,954,704
Investment properties		11,839,883	11,795,451	11,432,643
Property and equipment		1,045,766	955,930	1,274,626
Intangible assets		3,749,919	3,870,685	3,468,267
TOTAL ASSETS		126,232,283	129,729,040	126,688,534
LIABILITIES AND EQUITY				
LIABILITIES				
Loans		5,000,000	5,000,000	5,000,000
Bonds		40,000,000	40,000,000	40,000,000
Other liabilities		16,140,938	20,533,783	18,511,173
TOTAL LIABILITIES		61,140,938	65,533,783	63,511,173
EQUITY				
Share capital		34,233,263	34,233,263	34,233,263
Share premium		9,089,045	9,089,045	9,089,045
Statutory reserve		6,822,832	6,822,832	5,726,409
Voluntary reserve		1,421,613	1,421,613	325,190
Revaluation reserve		934,057	934,057	934,057
Cumulative changes in fair values		(7,406,323)	(7,493,568)	(6,577,741)
Foreign currency translation reserve		1,215,824	469,625	506,619
Retained earnings		15,199,265	14,959,615	15,011,662
Equity attributable to equity holders of the Company		61,509,576	60,436,482	59,248,504
Non-controlling interests		3,581,769	3,758,775	3,928,857
TOTAL EQUITY		65,091,345	64,195,257	63,177,361
TOTAL LIABILITIES AND EQUITY		126,232,283	129,729,040	126,688,534


Talal Ali Abdullah Al Jaber Al Sabah
Chairman


Faisal Mansour Sarkhou
Chief Executive Officer

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the period ended 30 September 2022

	<i>Notes</i>	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
		<i>2022 KD</i>	<i>2021 KD</i>	<i>2022 KD</i>	<i>2021 KD</i>
INCOME					
Fee income	6	3,148,779	4,797,960	13,769,239	13,425,231
Net (loss) gain on financial assets at fair value through profit or loss	7	(638,962)	468,753	399,034	4,500,411
Share of results of associates		(516,624)	421,356	805,969	2,214,414
Dividend income		187,915	78,364	515,894	300,362
Interest income		291,637	239,302	788,635	717,987
Foreign exchange gain (loss)		223,993	(169,668)	81,790	(345,439)
Rental income		185,438	136,020	511,655	460,703
Other income	9	43,999	29,421	99,176	663,170
		2,926,175	6,001,508	16,971,392	21,936,839
EXPENSES					
General and administrative expenses		3,119,275	3,394,341	11,327,421	11,502,805
Finance costs		591,826	532,226	1,652,578	1,604,624
Provision for expected credit losses on financial assets		97,543	62,812	160,712	229,077
Provision (reversal of provision) for expected credit losses on loans and advances, net		25,978	(7,266)	(74,041)	(80,600)
		3,834,622	3,982,113	13,066,670	13,255,906
(LOSS) PROFIT FOR THE PERIOD BEFORE TAXATION		(908,447)	2,019,395	3,904,722	8,680,933
Contribution to KFAS		8,000	(17,835)	(39,721)	(77,297)
Zakat		10,000	(20,468)	(48,198)	(88,244)
NLST		23,000	(50,957)	(119,795)	(222,299)
(LOSS) PROFIT FOR THE PERIOD		(867,447)	1,930,135	3,697,008	8,293,093
Attributable to:					
Equity holders of the Company		(824,088)	1,903,101	3,821,862	8,207,020
Non-controlling interests		(43,359)	27,034	(124,854)	86,073
		(867,447)	1,930,135	3,697,008	8,293,093
BASIC AND DILUTED (LOSS) EARNINGS PER SHARE –					
Attributable to equity holders of the Company	5	(2.41) fils	5.56 fils	11.16 fils	23.97 fils

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2022

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022 KD</i>	<i>2021 KD</i>	<i>2022 KD</i>	<i>2021 KD</i>
(Loss) profit for the period	(867,447)	1,930,135	3,697,008	8,293,093
Other comprehensive (loss) income:				
<i>Items that are or may be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>				
Foreign currency translation adjustments	378,454	50,840	819,752	(188,465)
<i>Items that will not be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>				
Share of other comprehensive (loss) income of associates	(29)	8,973	151,067	184,332
Revaluation surplus on property	-	-	-	934,057
Net (loss) income on equity instruments at fair value through other comprehensive income	(49,818)	39,767	(261,695)	83,475
	(49,847)	48,740	(110,628)	1,201,864
Total other comprehensive income for the period	328,607	99,580	709,124	1,013,399
Total comprehensive (loss) income for the period	(538,840)	2,029,715	4,406,132	9,306,492
Attributable to:				
Equity holders of the Company	(532,413)	1,998,008	4,496,420	9,252,691
Non-controlling interests	(6,427)	31,707	(90,288)	53,801
	(538,840)	2,029,715	4,406,132	9,306,492

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2022

	Attributable to shareholders of the Company										
	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Revaluation reserve KD	Cumulative changes in fair values KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-total KD	Non-controlling interests KD	Total equity KD
As at 1 January 2022	34,233,263	9,089,045	6,822,832	1,421,613	934,057	(7,493,568)	469,625	14,959,615	60,436,482	3,758,775	64,195,257
Profit (loss) for the period	-	-	-	-	-	-	-	3,821,862	3,821,862	(124,854)	3,697,008
Other comprehensive (loss) income	-	-	-	-	-	(71,641)	746,199	-	674,558	34,566	709,124
Total comprehensive (loss) income for the period	-	-	-	-	-	(71,641)	746,199	3,821,862	4,496,420	(90,288)	4,406,132
Transfer on disposal of subsidiaries (Note 10)	-	-	-	-	-	(20,643)	-	20,643	-	-	-
Transfer on disposal of equity investments at FVOCI to retained earnings	-	-	-	-	-	179,529	-	(179,529)	-	-	-
Dividends (Note 11)	-	-	-	-	-	-	-	(3,423,326)	(3,423,326)	-	(3,423,326)
Distribution to non-controlling interests	-	-	-	-	-	-	-	-	-	(86,718)	(86,718)
As at 30 September 2022	34,233,263	9,089,045	6,822,832	1,421,613	934,057	(7,406,323)	1,215,824	15,199,265	61,509,576	3,581,769	65,091,345
As at 1 January 2021	34,233,263	9,089,045	5,726,409	325,190	-	(8,114,748)	681,662	8,061,016	50,001,837	3,822,806	53,824,643
Profit for the period	-	-	-	-	-	-	-	8,207,020	8,207,020	86,073	8,293,093
Other comprehensive income (loss)	-	-	-	-	934,057	286,657	(175,043)	-	1,045,671	(32,272)	1,013,399
Total comprehensive income (loss) for the period	-	-	-	-	934,057	286,657	(175,043)	8,207,020	9,252,691	53,801	9,306,492
Transfer on disposal of equity investments at FVOCI to retained earnings	-	-	-	-	-	1,250,350	-	(1,250,350)	-	-	-
Ownership changes in subsidiary without loss of control (Note 10)	-	-	-	-	-	-	-	(6,024)	(6,024)	256,024	250,000
Distribution to non-controlling interests	-	-	-	-	-	-	-	-	-	(203,774)	(203,774)
As at 30 September 2021	34,233,263	9,089,045	5,726,409	325,190	934,057	(6,577,741)	506,619	15,011,662	59,248,504	3,928,857	63,177,361

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

For the period ended 30 September 2022

	<i>Notes</i>	<i>Nine months ended 30 September</i>	
		2022	2021
		KD	KD
OPERATING ACTIVITIES			
Profit for the period before taxation		3,904,722	8,680,933
<i>Adjustments for:</i>			
Unrealized loss (gain) on financial assets at fair value through profit or loss	7	391,155	(2,915,268)
Share of results of associates		(805,969)	(2,214,414)
Dividend income		(515,894)	(300,362)
Interest income		(788,635)	(717,987)
Foreign exchange (gain) loss		(81,790)	345,439
Finance costs		1,652,578	1,604,624
Depreciation		64,105	154,797
Amortization		344,099	256,800
Provision for expected credit losses on financial assets		160,712	229,077
Reversal of provision for expected credit losses on loans and advances, net		(74,041)	(80,600)
Provision for employees' end of service benefits		998,315	715,241
		5,249,357	5,758,280
<i>Changes in operating assets and liabilities:</i>			
Loans and advances		1,578,075	(9,691)
Financial assets at fair value through profit or loss		(410,789)	(1,973,637)
Other assets		1,220,653	1,544,121
Other liabilities		(4,985,083)	(103,572)
Cash from operations		2,652,213	5,215,501
Dividend received		515,894	300,362
Employees' end of service benefits paid		(260,953)	(398,900)
Taxes paid		(449,133)	-
Net cash flows from operating activities		2,458,021	5,116,963
INVESTING ACTIVITIES			
Purchase of financial assets at fair value through other comprehensive income		(585,562)	(827,278)
Proceeds from sale of financial assets at fair value through other comprehensive income		490,287	1,636,117
Net withdrawal of deposits		1,778,233	753,613
Purchase of property and equipment		(132,357)	(475,942)
Purchase of intangible assets		(218,601)	-
Capital expenditure on investment properties		(25,350)	-
Acquisition of non-current asset classified as held for sale		(4,165,424)	(10,042,481)
Proceeds from disposal of non-current asset classified as held for sale		1,911,625	8,616,774
Acquisition of investment in associate		-	(1,579,093)
Proceeds on disposal of subsidiaries		89,181	-
Dividend received from investment in associates		331,689	91,159
Interest income received		765,083	779,021
Net cash flows from (used in) investing activities		238,804	(1,048,110)

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Kamco Investment Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

For the period ended 30 September 2022

	<i>Notes</i>	<i>Nine months ended 30 September</i>	
		2022 KD	2021 KD
FINANCING ACTIVITIES			
Loans availed		-	5,856,914
Loans repaid		-	(7,765,172)
Dividend paid to the equity holders of the Company		(3,357,237)	(18,146)
Finance costs paid		(1,618,066)	(1,605,199)
Ownership changes in subsidiary without loss of control		-	250,000
Distribution to non-controlling interest		(86,718)	(203,774)
Net cash flows used in financing activities		(5,062,021)	(3,485,377)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(2,365,196)	583,476
Foreign currency translation adjustments		519,447	(333,148)
Cash and cash equivalents at 1 January		29,371,013	26,307,717
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	3	27,525,264	26,558,045
NON-CASH TRANSACTION			
Investment properties		-	(10,720,000)
Property and equipment		-	10,720,000
		-	-

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

As at and for the period ended 30 September 2022

1 INCORPORATION AND PRINCIPAL ACTIVITIES

The interim condensed consolidated financial information of Kamco Investment Company K.S.C.P. (the “Company”) and subsidiaries (collectively the “Group”) for the nine months ended 30 September 2022 were authorized for issue by the Board of Directors on 2 November 2022.

The Company is a Kuwaiti closed shareholding company registered and incorporated in Kuwait on 16 September 1998 under the Commercial Companies Law No. 15 of 1960 and amendments thereto and is listed on Boursa Kuwait. The Company is registered with the Central Bank of Kuwait (“CBK”) as an investment company and is subject to the supervision of Capital Markets Authority of Kuwait (“CMA”).

The Company is a subsidiary of United Gulf Bank B.S.C. (the “Parent Company”). The Parent Company is a subsidiary of Kuwait Projects Company Holding K.S.C.P. (the “Ultimate Parent Company” or “KIPCO”) which is listed on the Boursa Kuwait.

The Company’s registered head office is at Sharq, Al Shaheed Tower, Khalid Bin Al-Waleed Street, Kuwait City, P.O. Box 28873, Safat 13149, Kuwait.

The purpose for which the Company has been established is to undertake the following activities:

1. Investing in different financial, industrial, real estate, agricultural, and services sectors as directly or indirectly by contribution in outstanding companies or establishment of specialized companies in the mentioned activities, or ownership of projects that fulfill that for the interest of the Company.
2. Manager of investment portfolio.
3. Brokerage in Lending and Borrowing Operations.
4. Subscription agent.
5. Providing loans for third parties with duly observing the ethics of financial solvency in granting such loans and at the same time preserving the continuity of the company’s financial position soundness according to the conditions, rules, and limitations set forth by the Central Bank of Kuwait.
6. Dealing and trading in foreign currency market and precious metals market inside Kuwait and abroad for the interest of the Company or its clients.
7. Purchase and sale of securities of local and international companies and governmental authorities for the interest of the Company or its clients.
8. Manager of investment pooling.
9. Ownership of properties and movables necessary for achieving its goals for the interest of the Company or its clients.
10. Unregistered Broker of financial securities in the stock exchange market.
11. Investment consultant.
12. Custodian.
13. Market maker.
14. Financing export and import operations by direct financing or accepting transfers drawn on the Company for short terms.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the nine-month period ended 30 September 2022 has been prepared in accordance with IAS 34 *Interim Financial Reporting* except, as noted below:

The consolidated financial statements for the year ended 31 December 2021 were prepared in accordance with the regulations for financial services institutions as issued by the CBK in the State of Kuwait. These regulations require the expected credit loss ("ECL") on credit facilities (i.e. loans and advances) to be measured at the higher of the amount computed under IFRS 9 in accordance to the CBK guidelines or the provisions as required by CBK instructions; the consequent impact on related disclosures; and the adoption of all other requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") (collectively referred to as IFRS, as adopted by CBK for use by the State of Kuwait).

The interim condensed consolidated financial information provides comparative information in respect of the previous period.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2021.

Further, results for the nine-month period ended 30 September 2022, are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several other amendments and interpretations apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial information of the Group.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

These amendments had no impact on the interim condensed consolidated financial information of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

**2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP
(continued)**

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the interim condensed consolidated financial information of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

3 CASH AND CASH EQUIVALENTS

		(Audited)	
	30 September 2022 KD	31 December 2021 KD	30 September 2021 KD
Cash at banks and on hand	23,766,352	25,715,268	22,413,483
Deposits with banks	7,769,987	9,445,053	9,052,065
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of financial position	31,536,339	35,160,321	31,465,548
Less: deposits with banks with original maturity of more than three months	(4,011,075)	(5,789,308)	(4,907,503)
Cash and cash equivalents for the purpose of the interim condensed consolidated statement of cash flows	27,525,264	29,371,013	26,558,045

4 OTHER ASSETS

		(Audited)	
	30 September 2022 KD	31 December 2021 KD	30 September 2021 KD
Due from portfolio clients	1,662,025	2,047,256	1,287,093
Accrued income	2,491,273	2,388,756	2,392,799
Other receivables and deposits	12,852,818	13,735,524	15,626,578
	17,006,116	18,171,536	19,306,470
Less: provision for expected credit losses	(4,652,449)	(4,453,648)	(4,351,766)
	12,353,667	13,717,888	14,954,704

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

5 BASIC AND DILUTED (LOSS) EARNINGS PER SHARE

Basic (loss) earnings per share amounts are calculated by dividing the (loss) profit for the period attributable to equity holders of the Company by the weighted average number of paid-up shares, less treasury shares outstanding during the period. Diluted (loss) earnings per share is calculated by dividing the (loss) profit for the period by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted (loss) earnings per share are identical.

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	2022	2021	2022	2021
Basic and diluted earnings per share:				
(Loss) profit for the period attributable to equity holders of the Company (KD)	(824,088)	1,903,101	3,821,862	8,207,020
Weighted average number of outstanding shares	342,332,633	342,332,633	342,332,633	342,332,633
Basic and diluted (loss) earnings per share	(2.41) fils	5.56 fils	11.16 fils	23.97 fils

6 FEE INCOME

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	2022	2021	2022	2021
	KD	KD	KD	KD
Management fees on assets under management	2,526,314	2,430,729	7,712,902	7,187,494
Incentive fees on assets under management	431	173,222	537,483	1,369,928
Placement fees/structuring fee/redemption fees – managed funds and other fees	60,485	942,445	2,310,738	1,773,152
Investment banking fees	115,200	782,951	1,528,308	1,596,271
Brokerage fees	420,511	437,310	1,550,358	1,342,095
Other fees on assets under management	25,838	31,303	129,450	156,291
	3,148,779	4,797,960	13,769,239	13,425,231
Timing of revenue recognition				
Services transferred at a point in time	596,627	2,335,928	5,926,887	6,081,446
Services transferred over time	2,552,152	2,462,032	7,842,352	7,343,785
	3,148,779	4,797,960	13,769,239	13,425,231

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

7 NET (LOSS) GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Realized gain	87,458	99,386	790,189	1,585,143
Unrealized (loss) gain	(726,420)	369,367	(391,155)	2,915,268
	(638,962)	468,753	399,034	4,500,411

8 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

- a. During the period, the Group made an investment in certain special purpose vehicles (the “Entities”), for a consideration of KD 1,910,313 (USD: 6,250 thousand). Through these Entities, the Group acquired a property in the United State of America and classified it as “disposal group held for sale”.

Subsequently, the Group fully disposed it’s interest in these Entities for a consideration equivalent to its carrying value. Accordingly, no gain or loss on disposal of these Entities was recognized in the interim condensed consolidated statement of income.

- b. Further, the Group made an investment in certain special purpose vehicles (the “Entities”) with a carrying value amounting to KD 2,255,111 (USD 7,250 thousand) classified in accordance with IFRS 5 - Non-current Assets held for sale as the Group actively plans to dispose its stake in these entities.

The prior period transactions were as follows:

- i. The Group made an investment in certain special purpose vehicles (the “Entities”), for a consideration of KD 8,117,672 (GBP: 19,400 thousand). Through these Entities, the Group acquired a property in the United Kingdom and classified it as “disposal group held for sale”.

Subsequently, the Group disposed a majority interest in these Entities with the carrying value of KD 7,912,211 (GBP: 19,000 thousand) for a consideration equivalent to its carrying value. Accordingly, no gain or loss on disposal of these Entities was recognized in the interim condensed consolidated statement of income and the remaining interest amounting to KD 162,306 (GBP: 400 thousand) was classified as financial assets at fair value through other comprehensive income.

- ii. Further, the Group made an investment in a certain special purpose vehicle (the “Entity”) and subsequently disposed a majority interest in the Entity with the remaining interest amounting to KD 852,105 (GBP 2,100 thousand) was classified in accordance with IFRS 5 - Non-current Assets held for sale.

The Group considered the above Entities meet the criteria to be classified as held for sale for the following reasons:

- ▶ These Entities are available for immediate sale and can be disposed of in their current condition.
- ▶ The actions to complete disposal are initiated and will be completed within one year from the date of acquisition.

9 OTHER INCOME

During the prior period, other income included an amount of KD 529 thousand which represented certain liabilities that no longer required to be settled by the Company as these liabilities had been extinguished during the same period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

10 INVESTMENT IN SUBSIDIARIES

During the period, the Company fully disposed its stake in subsidiaries, Al Zad Real Estate Company W.L.L., First North Africa Real Estate Company W.L.L. and Al Dhiyafa United Real Estate Company W.L.L. to third parties.

During the prior period, the effective ownership of the Group in KAMCO GCC Opportunistic Fund decreased from 100% to 90.75% on account of partial disposal to third parties. This resulted in an increase of non-controlling interests amounting to KD 256,024.

11 ANNUAL GENERAL ASSEMBLY

The Annual General Assembly of equity holders held on 6 April 2022 approved the consolidated financial statements of the Group for the year ended 31 December 2021 and resolved to distribute dividends of 10 fils per share (31 December 2020: Nil).

12 COMMITMENTS AND CONTINGENCIES

The total outstanding contingent liabilities and commitments are as follows:

	30 September 2022 KD	<i>(Audited)</i> 31 December 2021 KD	30 September 2021 KD
Commitments			
Commitments to invest in private equity funds	256,410	340,313	450,157
Contingent liability			
Irrevocable and unconditional bank guarantee	678,587	666,865	664,991

Commitments to invest in private equity funds

Commitments to invest in private equity funds represent the uncalled capital by the investment managers (general partners) of various private equity funds in which the Group has made investments. The capital can be called at the investment manager's discretion. During the prior period, the Company in its capacity as an investment manager had given a guarantee to a foreign bank for future investment obligations in connection with a real estate transaction. The additional investment, which is highly unlikely in the event of the guarantee being exercised, is estimated to be Nil (31 December 2021: Nil and 30 September 2021: KD 2,000,000) owing to the Company's successful exit from the real estate transaction.

The Group is engaged in litigation cases, which involve claims made by and against the Group which have arisen in the ordinary course of business. The management of the Group, after reviewing the claims pending against the Company and Group companies and based on the advice of the relevant professional legal advisors, are satisfied that the outcome of these claims will not have a material adverse effect on the interim condensed consolidated financial information of the Group.

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

13 RELATED PARTY TRANSACTIONS

Related parties represent the Parent Company / Ultimate Parent Company, associates, directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management. Balances and transactions with related parties are as follows:

	<i>Parent Company / Ultimate Parent Company KD</i>	<i>Associates KD</i>	<i>Other related parties KD</i>	<i>30 September 2022 KD</i>	<i>(Audited) 31 December 2021 KD</i>	<i>30 September 2021 KD</i>
<i>Interim condensed consolidated statement of financial position:</i>						
Cash and cash equivalents	3,850,488	-	2,160,298	6,010,786	4,327,673	4,349,544
Financial assets at fair value through profit or loss	-	-	854,706	854,706	874,160	633,649
Financial assets at fair value through other comprehensive income	-	-	1,380,885	1,380,885	1,705,203	2,062,148
Other assets	267,520	1,445,936	446,656	2,160,112	2,790,561	2,894,425
Other liabilities	-	-	56,478	56,478	7,738	3,538
				<i>Nine months ended 30 September</i>		
				<i>2022</i>	<i>2021</i>	
				<i>KD</i>	<i>KD</i>	
<i>Interim condensed consolidated statement of income:</i>						
Fee income	358,178	521,893	910,401	1,790,472	2,110,917	
Dividend income	-	-	2,927	2,927	36,733	
Interest income	3,113	-	11,798	14,911	8,103	
Other income	-	-	27,850	27,850	16,650	
General and administrative expenses	-	-	635,568	635,568	518,620	
				<i>Nine months ended 30 September</i>		
				<i>2022</i>	<i>2021</i>	
				<i>KD</i>	<i>KD</i>	
<i>Key management personnel compensation:</i>						
Short-term employee benefits				736,913	677,995	
Termination benefits				93,947	84,618	
				830,860	762,613	

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

14 SEGMENT INFORMATION

The Group is organized into four major business segments based on internal reporting provided to the management. The Group does not have material inter-segment transactions. The principal activities and services under these segments are as follows:

Investment banking and Advisory	: Private placement of equities and debt, advising and managing listings, initial public offerings (IPOs), arranging conventional and Islamic debt, buy and sell side advisory, advising on strategy, privatization, mergers and reverse mergers and acquisitions and debt restructuring.
Asset management	: Asset management services cover both local and international markets and include securities trading, derivatives trading, discretionary and non-discretionary portfolio management, custody services, portfolio structuring and asset allocation advice, mutual funds and alternative instruments.
Brokerage	: Quoted and unquoted equity and debt instruments brokerage activities and margin financing
Strategic investments and corporate overheads	: Strategic investments include investments which are long term in nature and are aligned with the Group's long-term strategy. Corporate overheads include all support services.

Management monitors operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segmental return on investments.

The following table presents information regarding the Group's operating segments.

<i>Nine months ended 30 September 2022</i>					
	<i>Investment banking and Advisory KD</i>	<i>Asset management KD</i>	<i>Brokerage KD</i>	<i>Strategic investments and corporate overheads KD</i>	<i>Total KD</i>
Total revenue	1,482,562	11,691,674	1,881,912	1,915,244	16,971,392
Profit (loss) for the period	897,190	8,165,322	458,151	(5,823,655)	3,697,008
Total assets	154,826	51,951,788	16,734,677	57,390,992	126,232,283
Total liabilities	-	17,702,007	887,124	42,551,807	61,140,938
<i>Nine months ended 30 September 2021</i>					
	<i>Investment banking and Advisory KD</i>	<i>Asset management KD</i>	<i>Brokerage KD</i>	<i>Strategic investments and corporate overheads KD</i>	<i>Total KD</i>
Total revenue	1,702,854	15,938,636	1,653,133	2,642,216	21,936,839
Profit (loss) for the period	1,114,930	12,328,626	447,933	(5,598,396)	8,293,093
Total assets	88,424	48,834,702	16,596,272	61,169,136	126,688,534
Total liabilities	-	15,878,098	1,043,448	46,589,627	63,511,173

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transactions between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention, or need, to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

Financial instruments comprise of financial assets and financial liabilities.

For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months), the carrying amount approximates their fair value. The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial instruments

The following table shows an analysis of financial instruments recorded at fair value:

30 September 2022	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
Financial assets at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equities	2,395,908	-	-	2,395,908
Unquoted equities	-	-	666,417	666,417
Quoted debt securities	5,911,261	-	-	5,911,261
Unquoted debt securities	-	-	100,000	100,000
Managed funds	1,320,709	13,270,384	4,076,659	18,667,752
	<u>9,627,878</u>	<u>13,270,384</u>	<u>4,843,076</u>	<u>27,741,338</u>
<i>Financial assets at fair value through other comprehensive income:</i>				
Quoted equities	3,109	-	-	3,109
Unquoted equities	-	-	7,263,934	7,263,934
Managed funds	-	-	12,561	12,561
	<u>3,109</u>	<u>-</u>	<u>7,276,495</u>	<u>7,279,604</u>

Kamco Investment Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2022

15 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Financial instruments

30 September 2021	Level 1 KD	Level 2 KD	Level 3 KD	Total KD
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equities	3,766,815	-	-	3,766,815
Unquoted equities	-	-	188,473	188,473
Quoted debt securities	3,875,978	-	-	3,875,978
Managed funds	1,675,271	12,854,886	3,368,549	17,898,706
	<u>9,318,064</u>	<u>12,854,886</u>	<u>3,557,022</u>	<u>25,729,972</u>
<i>Financial assets at fair value through other comprehensive income:</i>				
Quoted equities	497,909	-	-	497,909
Unquoted equities	-	-	8,000,068	8,000,068
Managed funds	-	-	26,231	26,231
	<u>497,909</u>	<u>-</u>	<u>8,026,299</u>	<u>8,524,208</u>

The following table shows a reconciliation of the opening and closing amount of level 3 financial instruments which are recorded at fair value:

	As at 1 January 2022 KD	Realized and unrealized gain (loss) recorded in the consolidated statement of income KD	Purchase, sales and others (net) KD	Realized and unrealized gain (loss) recorded in other comprehensive income KD	As at 30 September 2022 KD
<i>Financial assets at fair value through profit or loss:</i>					
Unquoted equities	47,132	(1,196)	620,481	-	666,417
Unquoted debt securities	250,000	-	(150,000)	-	100,000
Managed funds	6,844,515	108,831	(2,876,687)	-	4,076,659
	<u>7,141,647</u>	<u>107,635</u>	<u>(2,406,206)</u>	<u>-</u>	<u>4,843,076</u>
<i>Financial assets at fair value through other comprehensive income:</i>					
Unquoted equities	7,305,543	-	516,812	(558,421)	7,263,934
Managed funds	12,561	-	-	-	12,561
	<u>7,318,104</u>	<u>-</u>	<u>516,812</u>	<u>(558,421)</u>	<u>7,276,495</u>

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the nine months ended 30 September 2022.

The impact on the interim condensed consolidated statement of financial position and the interim condensed consolidated statement of income would be immaterial if the relevant risk variables used to fair value the unquoted securities and unquoted funds managed by external fund managers were altered by 5%.